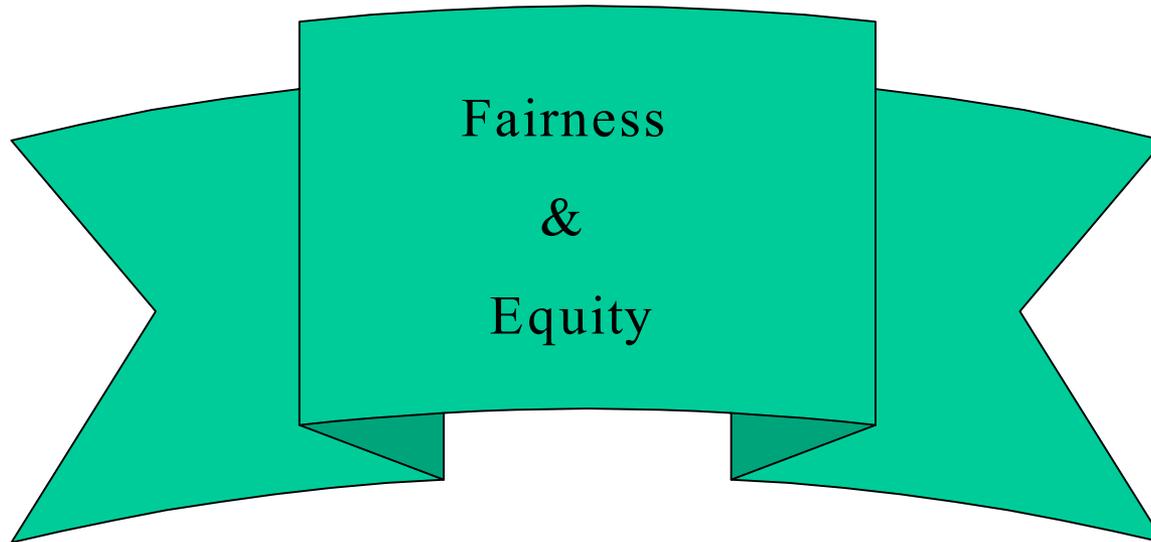


Assessor's Office City of Bangor, Maine

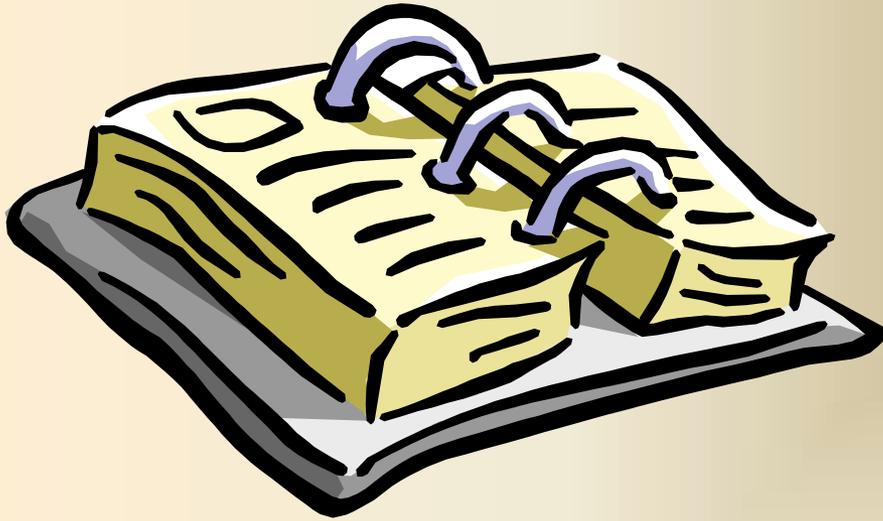


This show takes 20 minutes

Annual Assessment Update



- **Quality Market Information**
- **Supply and Demand Changes**
- **Market Value Factors**
- **Equality Adjustments**
- **Fair and Equitable Assessments**



Maine's official
Assessment Date
is April 1, 2006

The City's fiscal year runs from
July 1, 2006 to June 30, 2007

This period is called Fiscal Year 2007



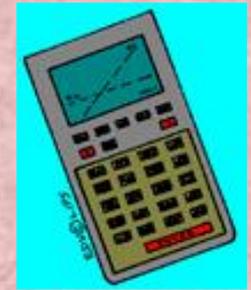
Study Period



- real estate sales which occurred starting July 2004 thru June 2005
- The city used over 500 sales



What is a Sales Ratio?



- **Sales Ratio = Assessment divided by Sale Price**
- **For example, the property's assessment is \$90,000 and it sells for \$100,000. The ratio is 90% or *under-assessed*.**



Objectives



- **City policy says overall Sales Ratio should be about 100%.**
- ***Assessor proposes* annual adjustments to bring properties within the Sales Ratio range of 92% to 98%; across property classes.**

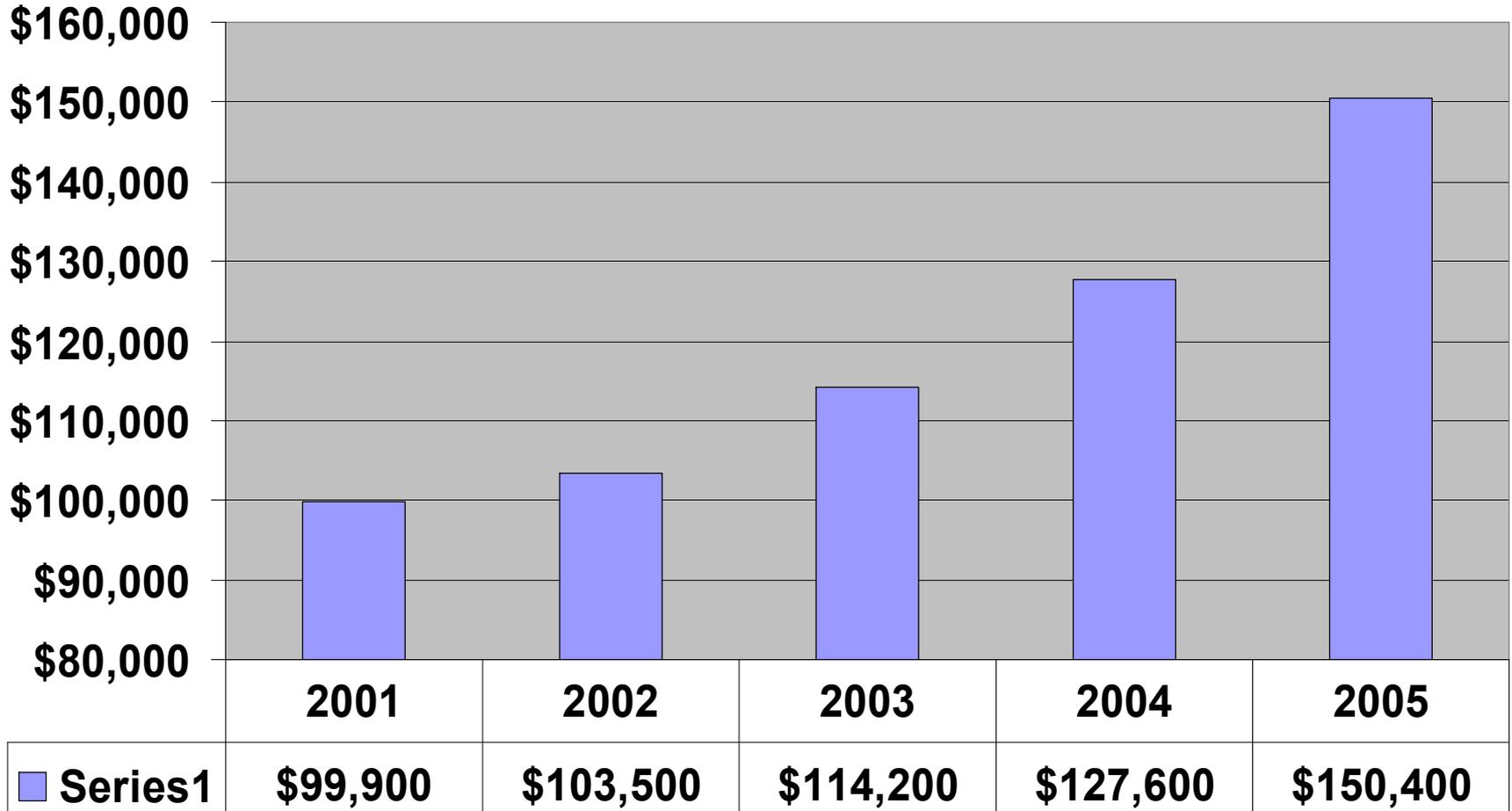


Office of Fed. Housing Oversight oversees Fannie Mae & Freddie Mac



- **Home Price Index for Bangor**
- **Appreciated 13.29% in the last one year period. (June 2004 to June 2005)**
- **Appreciated 54.81% in the last five-year period**
- **(Source: www.OFHED.gov click on House Price Index)**

Single Family - Change in Average Sales Price



50.6% increase

Proposed Adjustments

- **Most residential properties receive an upward adjustment based upon market trends.**
- **Positive adjustments to building values mainly by residential neighborhood.**



The next few slides show a number of Bangor properties that have sold twice.

Included are the properties': general location, building style, recent sales prices, percentage increase and number of months between sales.



Cumberland Street

2 Story

Sold 5/2002
for \$69,500

Sold 8/2004
for \$77,150

17% increase
over 27
months



Palm Street

2 Story

Sold 2/2001
for \$50,000

Sold 9/2004
for \$92,000

84% increase
over 45
months



Third Street

2 Story

Sold 3/2002
for \$64,500

Sold 6/2005
for \$93,500

45% increase
over 39
months



Broadway

Colonial

Sold 8/2002
for \$79,500

Sold 3/2005
for \$115,000

45% increase
over 32
months



Stillwater Avenue

Ranch

Sold 5/2002
for \$91,500

Sold 8/2004
for \$124,800

36% increase
over 28
months



Davis Road

Ranch

Sold 4/2004
for \$112,200

Sold 6/2005
for \$124,900

12% increase
over 14
months



Thirteenth Street

Cape

Sold 7/2002
for \$96,500

Sold 4/2005
for \$139,000

45% increase
over 34
months



08/19/2005

Yankee Avenue

Raised Ranch

Sold 2/2004
for \$129,500

Sold 1/2005
for \$145,000

12% increase
over 11
months



Norway Road

Cape



Sold 9/2003
for \$145,000

Sold 7/2004
for \$175,000

21% increase
over 11
months

Harvard Street

Cape

Sold 8/2002
for \$168,000

Sold 4/2005
for \$188,500

12% increase
over 33
months



Laurel Circle

2 Story

Sold 5/2003
for \$185,000

Sold 6/2005
for \$210,000

14% increase
over 25
months



06/20/2006 08:05

McKinley Street

Colonial



Sold 12/2003
for \$193,000

Sold 6/2005
for \$239,000

24% increase
over 19
months

Howard Street

Cape

Sold 2/2001
for \$237,000

Sold 8/2004
for \$275,000

16% increase
over 43
months



Trillium Trail

Contemp.

Sold 12/2002
for \$420,000

Sold 12/2004
for \$420,000

0% increase
over 24
months



The next few slides show a number of condo or pud (planned unit development) homes that have sold twice. Included are the properties': general location, building style, recent sales prices, percentage increase and number of months between sales.

Baldwin Drive off Broadway



Townhouse

Sold 2/2002
for \$79,700

Sold 4/2005
for \$119,500

50% increase
over 38
months

Franklin Street Condo Downtown

Unit on
1st Level



Sold 1/2000
for \$76,000

Sold 12/2004
for \$135,000

78% increase
over 60
months

Cortland Circle off Broadway

Cape



Sold 10/2001
for \$116,000

Sold 5/2004
for \$140,000

21% increase
over 31
months

Mobile Homes in Parks



Our records show that the assessments are in-line with the sale prices on average. This year the mobile home values will not receive an adjustment.



Mobile Homes in Parks

PARK NAME

MARKET CHANGE

MARTEL

No Market Adjustment

PRAY

No Market Adjustment

RAINBOW

No Market Adjustment

HOLIDAY

No Market Adjustment

CEDAR FALLS

No Market Adjustment

BIRCH HILL ESTATES

No Market Adjustment

C Street Birch Hill Estates

Mobile Home

Sold 4/2003
for \$12,000

Sold 6/2004
for \$12,500

4% increase
over 13
months



02/ 6/2006 11.4'

Single Family to Four Unit Buildings

**A single percentage increase will
not apply to all residential
properties.**

**The next slide shows that all
types of residential properties are
increasing in assessment due to
higher sale prices.**



Residential % Change

FY 2007

PROPERTY
TYPE

AVERAGE
PERCENTAGE
INCREASE

SINGLE FAMILY

9%

TWO FAMILY

11%

THREE FAMILY

13%

FOUR FAMILY

11%

(See Next Slide for More Detail on Changes)



Residential % Change

Percentage <u>Change</u>	One <u>Family</u>	Two <u>Family</u>	Three <u>Family</u>	Four <u>Family</u>
<u>Small Reduction</u>	13%	6%	5%	4%

FY 2007

Increase

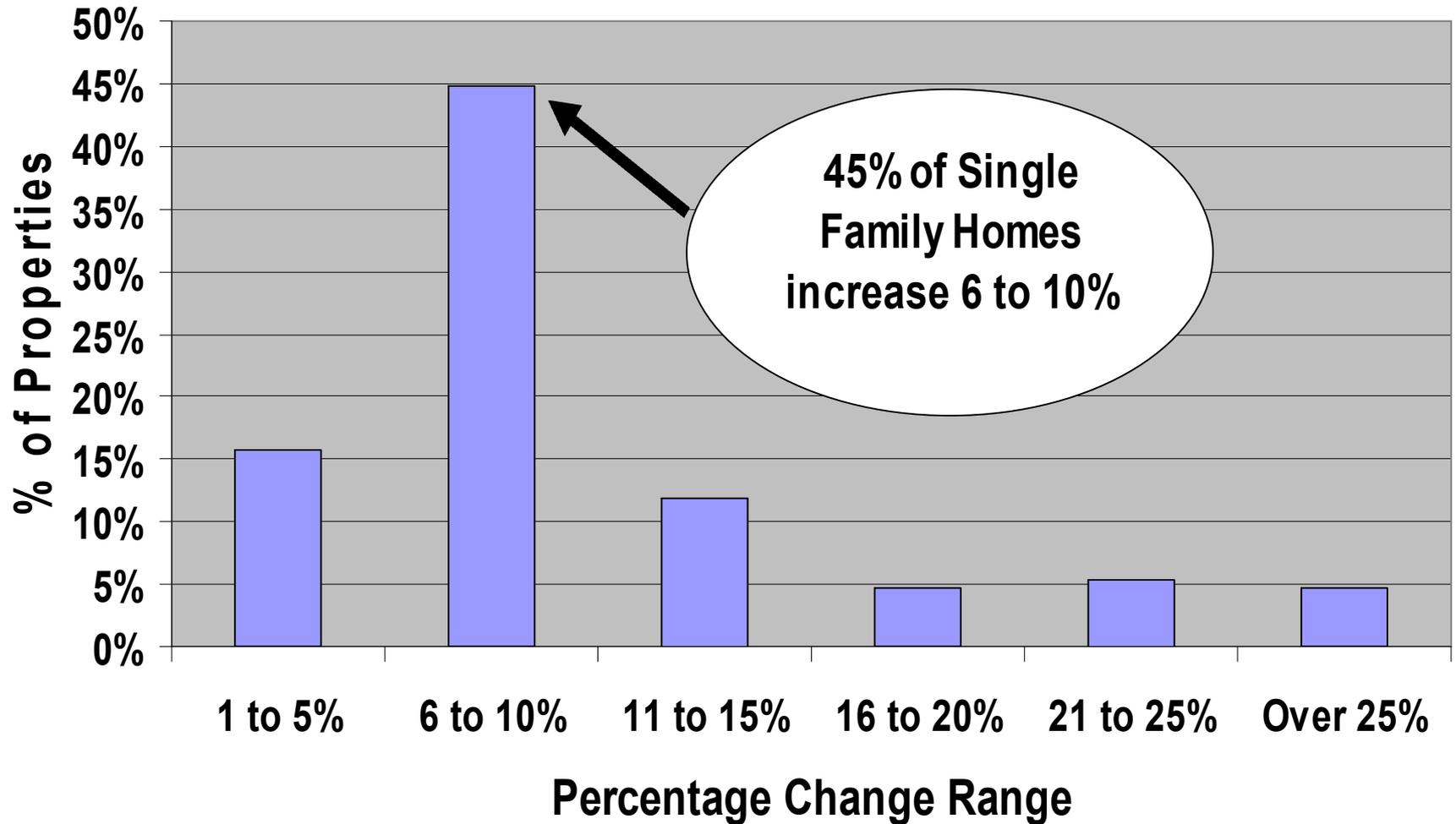
1% to 5%	16%	9%	8%	4%
6% to 10%	45%	58%	51%	66%
11% to 15%	12%	9%	8%	12%
16% to 20%	5%	2%	3%	1%
21% to 25%	4%	14%	18%	12%
<u>Over 25%</u>	<u>5%</u>	<u>2%</u>	<u>7%</u>	<u>1%</u>
Total	100%	100%	100%	100%

The next slide gives a general sense for the impact of the assessment adjustments on single family homes.

The slide shows that most assessments increase and that 45% will increase between 6% to 10%.



Percentage Increase - Single Family



The next two slides help answer the following question.

Why would the value of my home increase if I haven't done anything to my property and nothing has sold near mine ?



The value of your property may change due to inflation, interest rates, supply and demand, current market trends, etc.

For example, mature neighborhoods with good housing may become fashionable as new homebuyers relocate to buy or rent.

Also, a shortage of houses in a desirable city neighborhood can also raise values.

(continued)



Other possible reasons: (1) you were valued at a lower market value in a previous year; (2) fluctuations in market sales, up or down; and (3) renovation and modernization.

It is possible that values in your neighborhood have increased in the previous year due to an increase in sales activity and sale prices. If your neighborhood's values have increased, then your home's value may also.



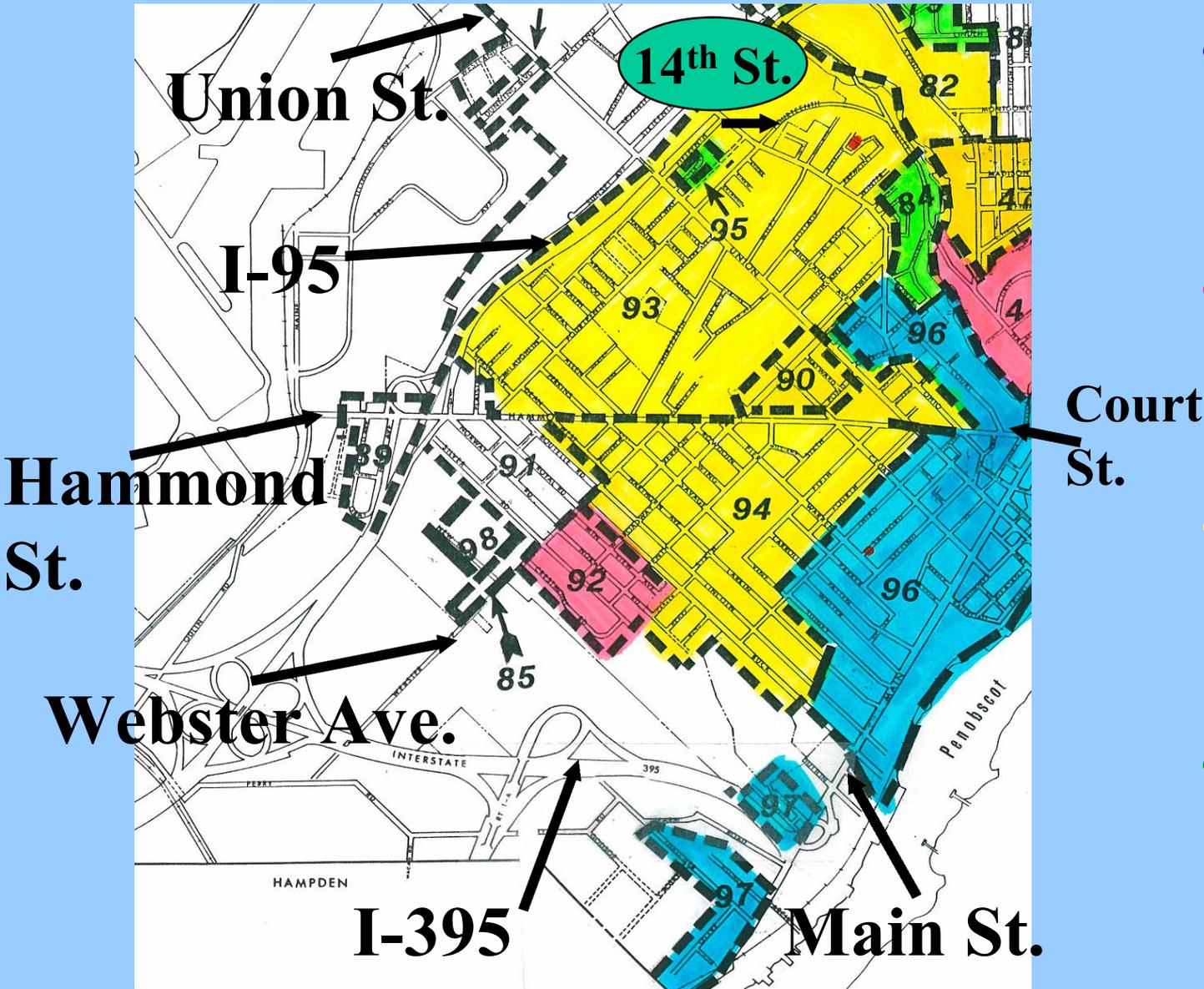
The next 7 slides show the city's neighborhood map starting with the in-town west side and finishing with the outer east side.

What is the overall average increase in your neighborhood?

Homes in the white area on each map will receive a valuation adjustment between **0 to 2% higher.**



In-town West Side Neighborhoods % Increase



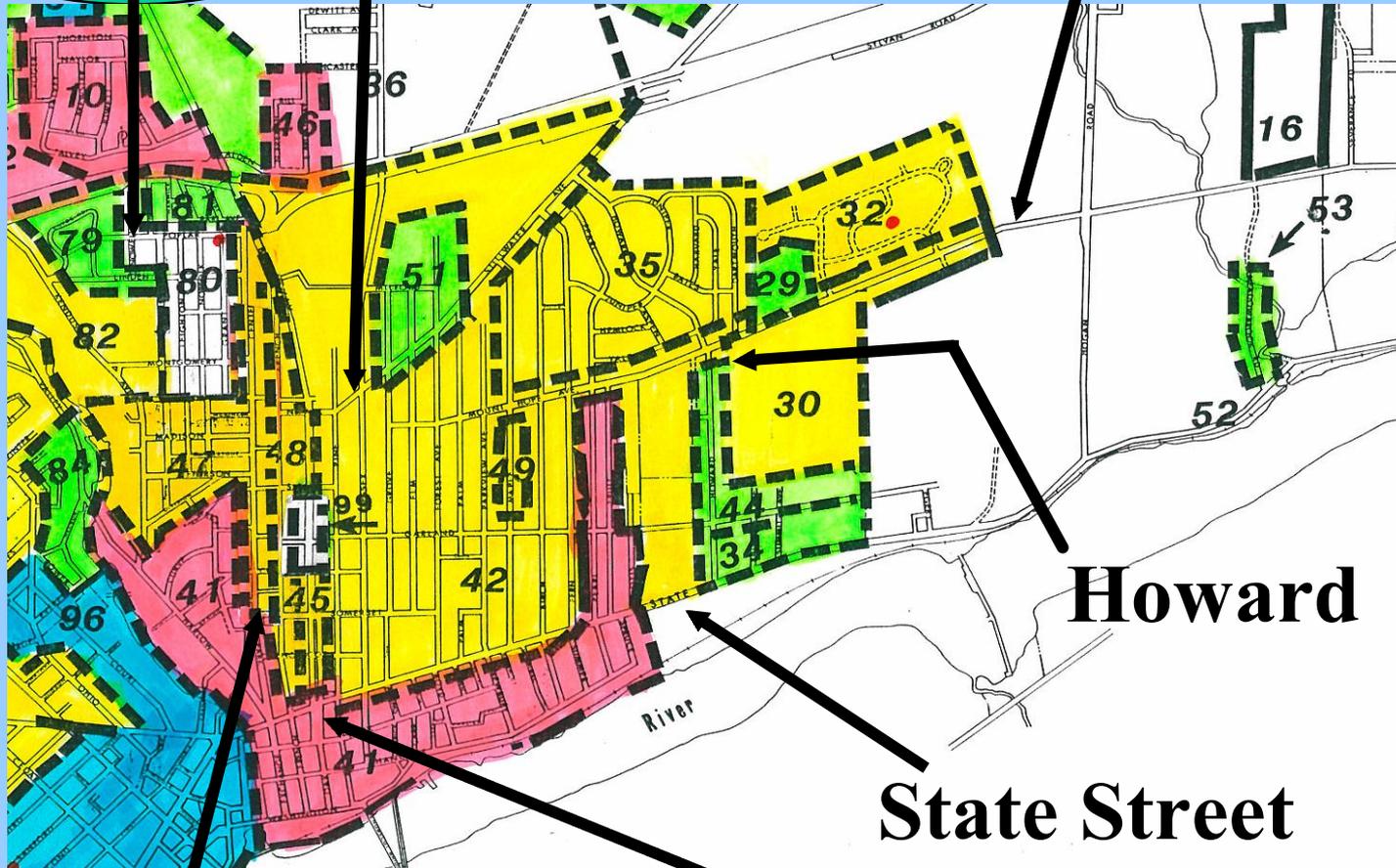
- Blue - 16% to 35%
- Pink - 11% to 15%
- Yellow - 6% to 10%
- Green - 1% to 5%

In-town East Side Neighborhoods % Increase

Corner of Broadway & Stillwater Avenue

Poplar St.

Mt.Hope Ave.



Howard

State Street

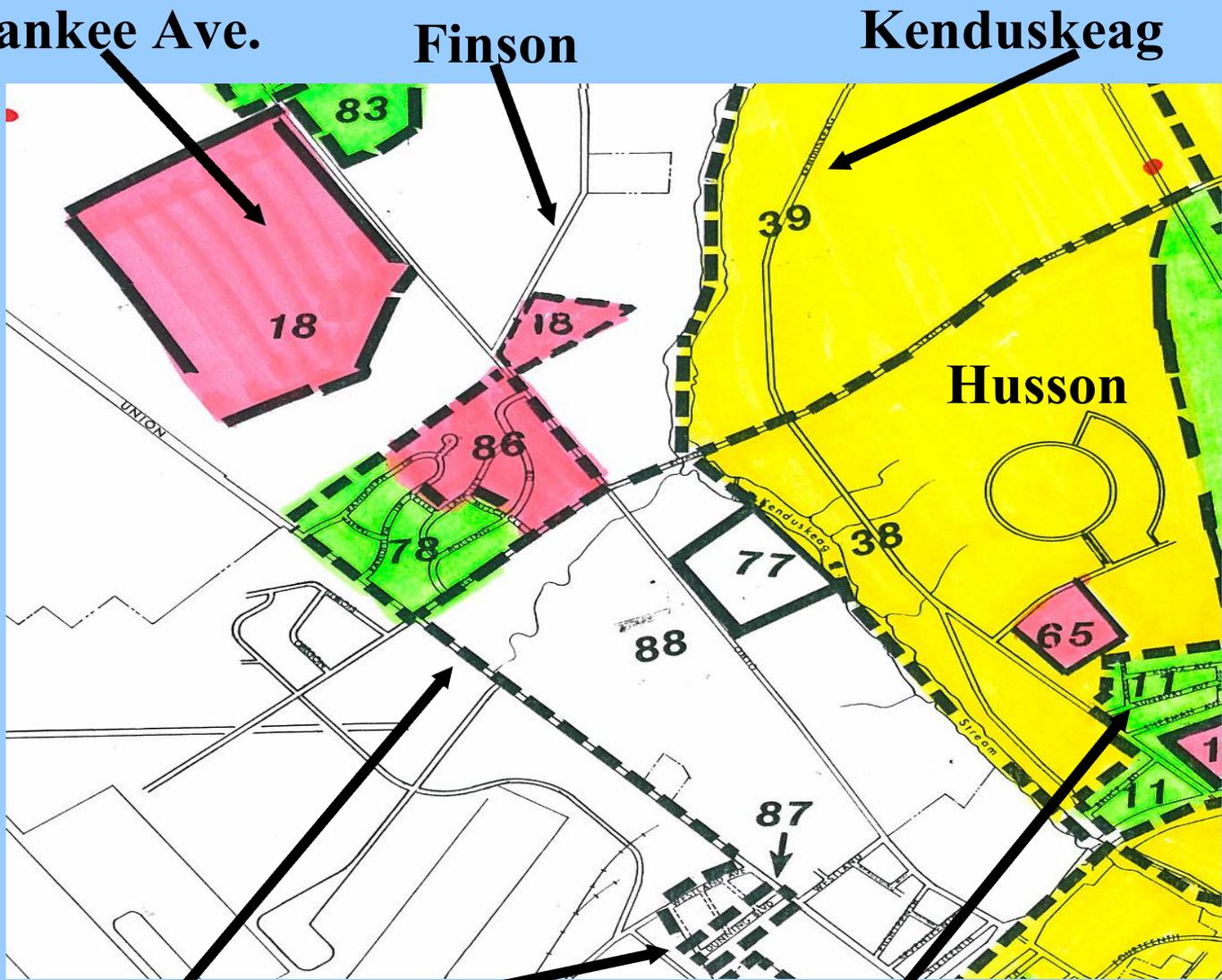
Center St.

Corner State & Broadway

- Blue - 16% to 35%
- Pink - 11% to 15%
- Yellow - 6% to 10%
- Green - 1% to 5%

Union Street & Kenduskeag Avenue Neighborhoods % Increase

- Blue - 16% to 35%
- Pink - 11% to 15%
- Yellow - 6% to 10%
- Green - 1% to 5%

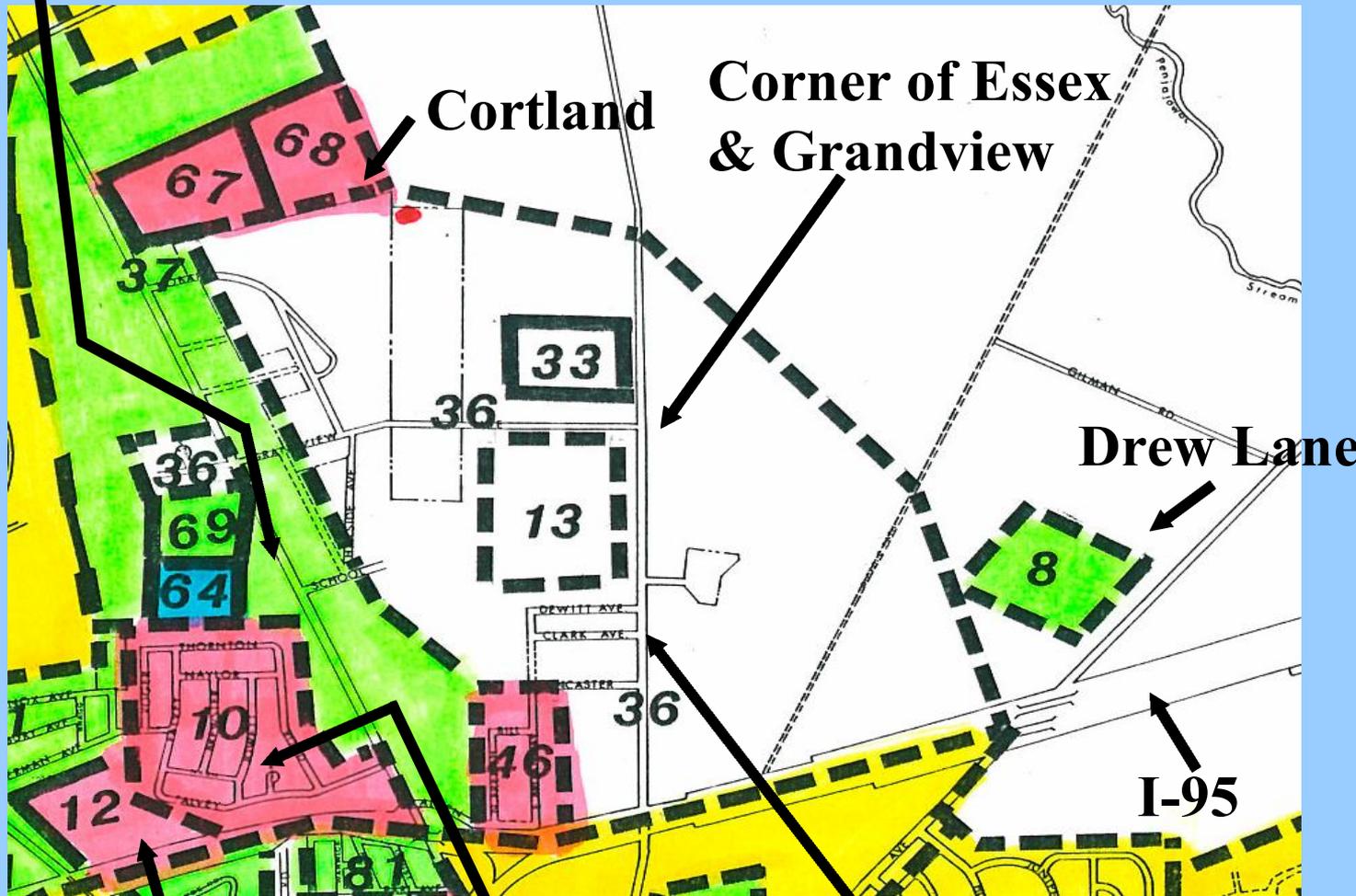


Union Street Dunning Blvd. Kenduskeag Garden

Broadway & Essex Street Neighborhoods % Increase

- Blue - 16% to 35%
- Pink - 11% to 15%
- Yellow - 6% to 10%
- Green - 1% to 5%

Corner Husson & Broadway



Cortland

Corner of Essex
& Grandview

Drew Lane

I-95

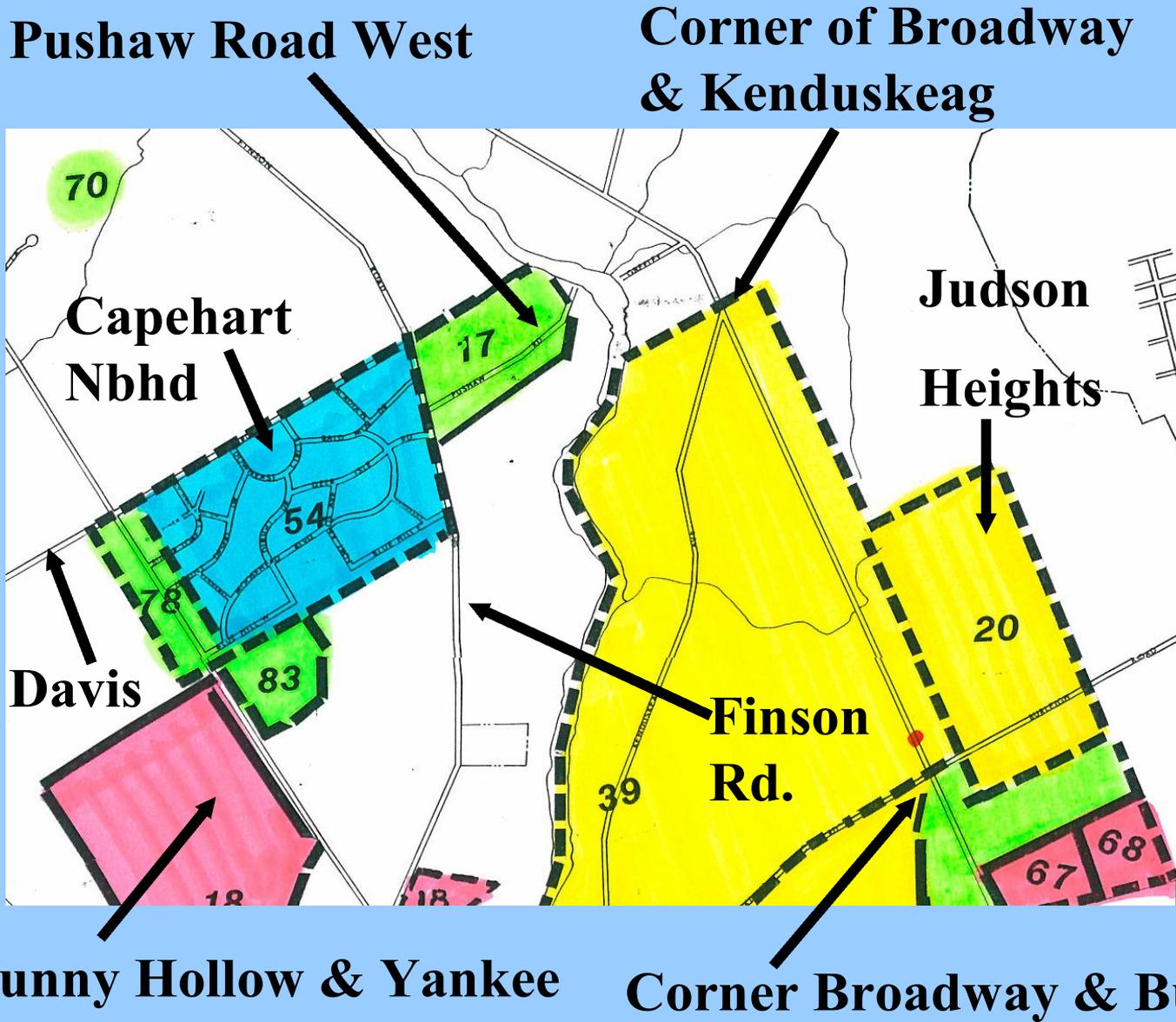
Laurel Circle

Bangor Garden

Clark Ave

Outer Broadway & Finson Road Neighborhoods % Increase

- Blue - 16% to 35%
- Pink - 11% to 15%
- Yellow - 6% to 10%
- Green - 1% to 5%



Outer Essex, Church Road and Stillwater Ave.

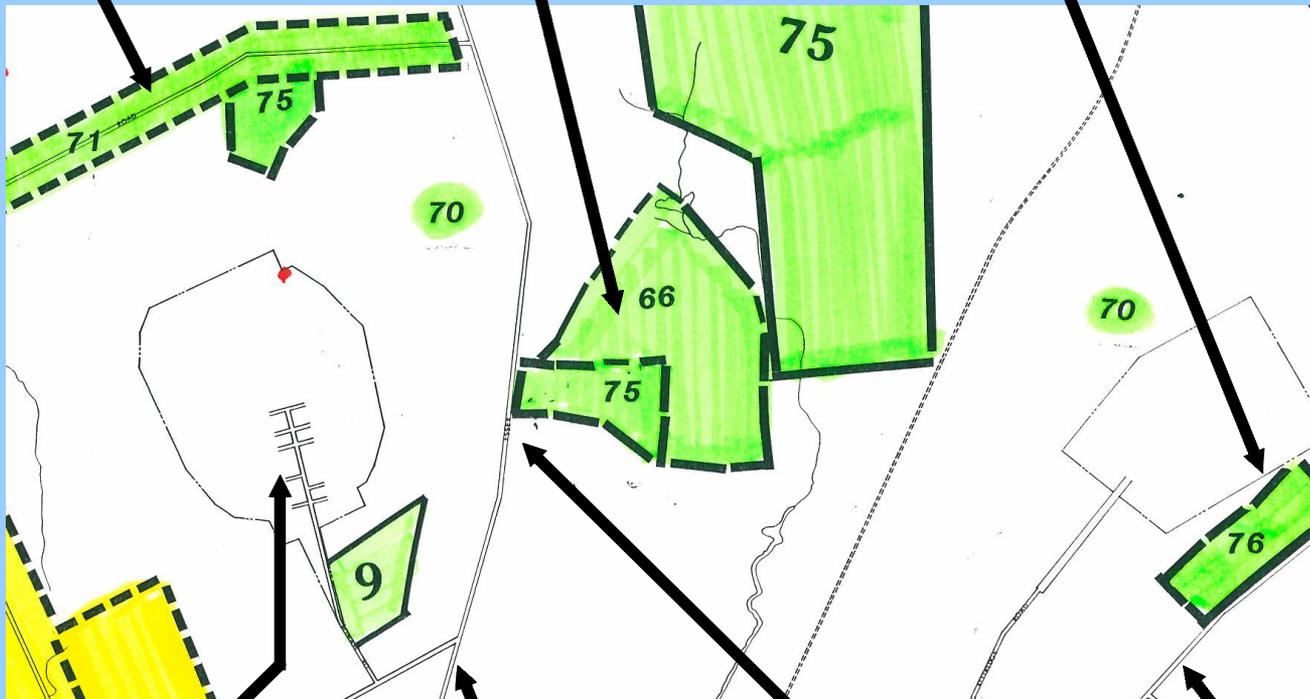
Neighborhoods % Increase

- Blue - 16% to 35%
- Pink - 11% to 15%
- Yellow - 6% to 10%
- Green - 1% to 5%

Church Road

Fox Hollow

Joan's Hill Rd.



Bomarc

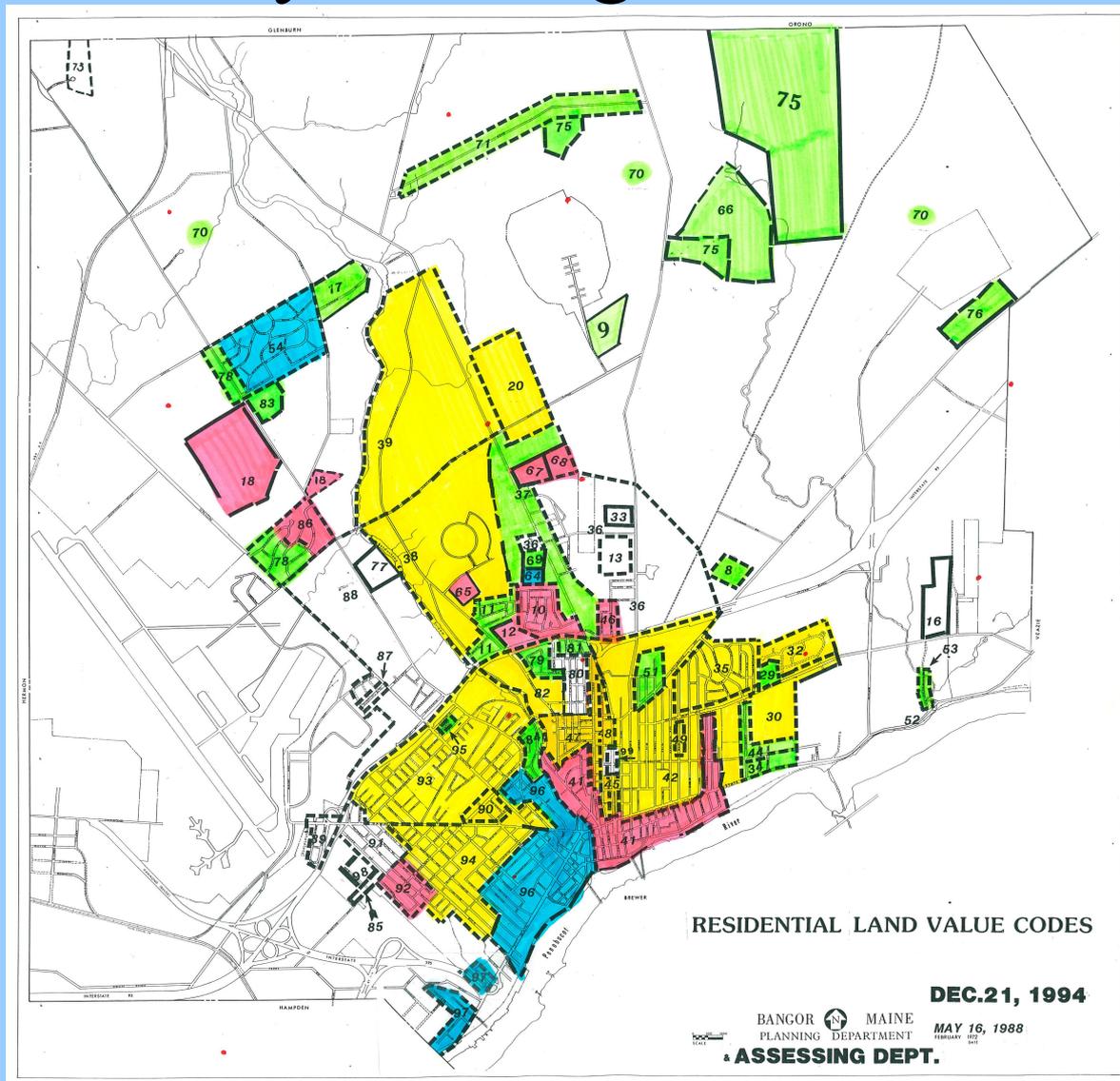
Essex Street

Outer Stillwater Ave.

Corner of Essex St. & Burleigh Rd.

Entire City of Bangor - % Increase Residential

- Blue - 16% to 35%
- Pink - 11% to 15%
- Yellow - 6% to 10%
- Green - 1% to 5%



All the white area is 0 to 2%

What about all the new homes including mobile homes being built or located in Bangor?

Are they being assessed at reasonable values?

The answer is YES !



New home at Holiday Park Mobile Home Park

Mobile Home
Single Wide



Likely
assessment
range
of
\$40,000
to
\$45,000

New home at Birch Hill Estates Mobile Home Park

Mobile Home
Double Wide



Likely
assessment
range
of
\$55,000
to
\$65,000

New house on
Molly Lane
near the Bangor Mall



Ranch

Likely
assessment
range
of
\$130,000
to
\$140,000

New house on Briarwood Drive off Bomarc Road

Raised Ranch

Likely
assessment
range
of
\$155,000
to
\$165,000



New house off outer Stillwater Avenue

Ranch



Likely
assessment
range
of
\$165,000
to
\$185,000

New house on Hillview Drive off Judson Blvd.

Colonial with
garage with
finished attic



Likely
assessment
range
of
\$245,000
to
\$265,000

New house on Skyline Road off Church Road

Colonial

Likely
assessment
range
of
\$480,000
to
\$520,000



What about all new Commercial,
Industrial and Retail buildings
being built in Bangor? Are they
being assessed at reasonable
values?

The answer is YES !

New Retail Car Center



Likely assessment for building \$230,000

New Apartment Building



Likely assessment for building \$500,000

New Industrial Building



Likely assessment for building \$600,000

New Restaurant



Likely assessment for building \$700,000

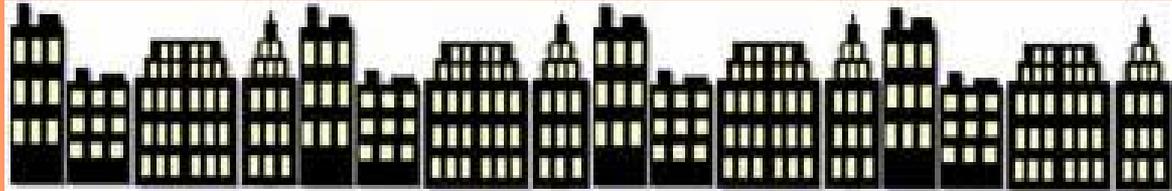
New Retail Shopping Center



Likely assessment for building \$15,000,000

The next few slides show that apartment buildings and other commercial/industrial properties have also increased in assessment.

Apartment Buildings



Commercial Apartment Buildings

5 or more number of Units

Average 18% Increase

Commercial and Industrial properties will also increase in value.



The average increase in assessment is 4%

Commercial		Average
<u>Property Type</u>	<u>Count</u>	<u>% Increase</u>
Multi-Family	224	18%
Office	174	4%
Retail Store	157	4%
Warehouse	70	1%
Medical Office	68	3%
Restaurant	31	4% 

Summary of Changes

- Changes are Market Based
- Fairness and Equity have both Improved
- Adjustments are Necessary

Is my assessment equitable?

There are two very good methods of determining this. First, compare your property to similar properties that sold in the previous year. Second, if no recent sales are available, compare your assessment to other similar properties in your area. Remember, very few properties are exactly alike.

Your Tax Bill

Individual tax bills are based on your property's taxable value (assessed value minus exemptions - if any).

An increase in value may increase the tax dollars paid.

Homestead Exemption

This Year's Exemption

**\$13,000 reduction of the taxed
property value.**

or about

**\$+/- dollars of actual tax
reduction.**

Bangor's Tax Rate

Last Year's Rate

This Year's Rate

\$20.40

\$00.00

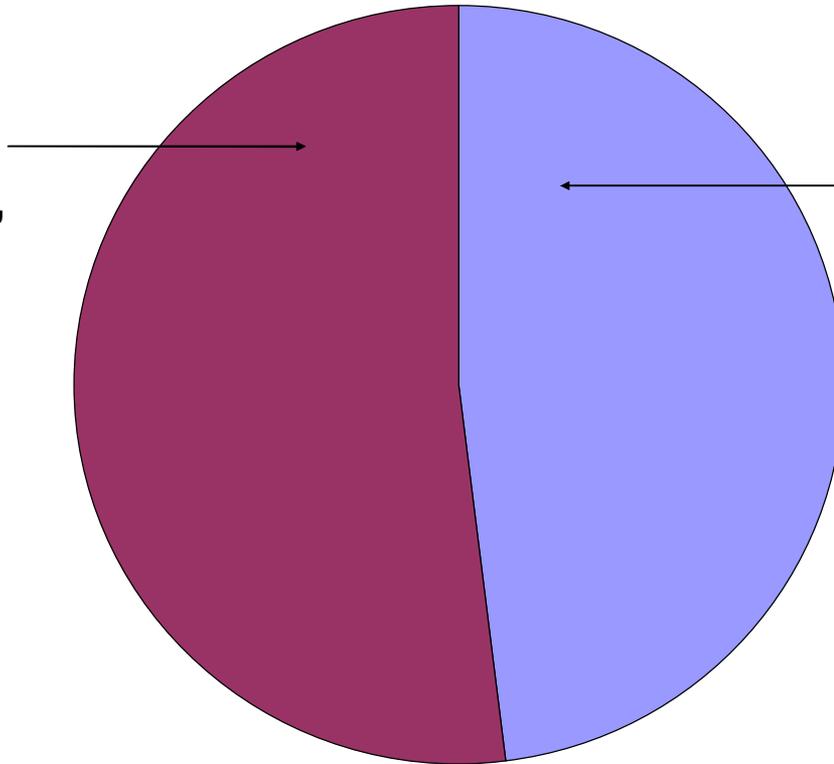
The same rate is used for all classes of property; both real and personal.

FY07

Who pays what share of taxes in Bangor?

RESIDENTIAL
ONE TO FOUR
FAMILY HOMES,
CONDOS,
MOBILE HOMES
AND ALL
VACANT LAND

52%



COMMERCIAL,
INDUSTRIAL
AND
BUSINESS
PERSONAL
PROPERTY

48%

**We welcome all questions and
comments about this presentation**

**Please call our office at 992-4212 or
stop by to see us between**

8:00 a.m. & 4:30 p.m. - M-F

**We are located on the first floor of
City Hall - 73 Harlow Street.**



**This Annual Assessment Update is
also available for view on the
city's official website.**

Please go to:

www.bangormaine.gov

Music Reference

- Yanni - Tribute
- Boublil and Schonberg's Legendary Musical Les Miserables – Royal Albert Hall Concert
- The Noel Touthy Radio Ceili Band - Jigs

The End
&
Thank You.

